Engage PEO Client Alert:

2021 MINIMUM WAGE INCREASES

The following states and municipalities will raise the minimum wage in 2021.

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
FEDERAL MINIMUM	*$7.25*	*$5.12*	*$2.13*	*Tipped employees must regularly earn at least $30 per month in tips.*
FEDERAL CONTRACTORS	*$10.95*	*$3.30*	*$7.65*	
Alabama	*$7.25**	*Federal law applies*	*Federal law applies*	
Alaska	*$10.34*	*Tip credit prohibited*	*Tip credit prohibited*	
Arizona	*$12.15*	*$3.00*	*$9.15*	
Flagstaff	*$15.00*	**	**	
Arkansas	*$11.00*	*$8.37*	*$2.63*	*Tipped employees must regularly earn at least $20 per month in tips.*
California	*$14.00 for businesses with 26 employees or more; $13.00 for businesses with fewer than 26 employees*	*Tip credit prohibited*	*Tip credit prohibited*	
Alameda	*$15.00*	**	**	
Belmont	*$15.90*	**	**	
Berkeley	*$16.07*	**	**	
Burlingame	*$15.00*			
Cupertino	*$15.65*	**	**	
Daly City	*$15.00*	**	**	
El Cerrito	*$15.61*	**	**	
Emeryville	*$16.84*	**	**	
Fremont	*$13.50 for small employers (25 or fewer employees); $15.00 for large employers (26 or more employees)*	**	**	***Increasing to $15 for small employers effective 07/01/21.***
Half Moon Bay	*$15.00*	**	**	
Hayward	*$15.00 for businesses with 26 employees or more; $14.00 for businesses with fewer than 26 employees*	**	**	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Long Beach	*$15.47 for hourly hotel workers;* *$15.30 for hourly concessionaire workers*	**	**	.
Los Altos	*$15.65*	**	**	
Los Angeles City and County	*$15.00 for businesses with 26 or more employees;* *$14.25 for businesses with 25 or fewer employees or non-profit corporations with 26 or more employees with approval to pay a deferred rate;* *$17.13 for hourly hotel workers*	**	**	***Increasing to $15 for businesses with 25 or fewer employees effective 07/01/21.***
Malibu	*$15.00 for businesses with 26 or more employees;* *$14.25 for businesses with 25 or fewer employees*	**	**	***Increasing to $15 for businesses with 25 or fewer employees effective 07/01/21.***
Menlo Park	*$15.25*	**	**	
Milpitas	*$15.40*	**	**	
Mountain View	*$16.30*	**	**	
Novato	*$15.24 for very large business (100+ employees);* *$15.00 for large business (26-99 employees);* *$14.00 for small business (1-25 employees)*	**	**	
Oakland	*$14.36;* *$20.50 for Hotel workers without Health Benefits;* *$15.27 for Hotel workers with Health Benefits*	**	**	
Palo Alto	*$15.65*	**	**	
Pasadena	*$15.00 for businesses with 26 or more employees;* *$14.25 for businesses with 25 or fewer employees*	**	**	***Increasing to $15 for businesses with 25 or fewer employees effective 07/01/21.***
Petaluma	*$15.20*	**	**	
Redwood City	*$15.62*	**	**	
Richmond	*$15.21 with health benefits;* *$13.71 without health benefits*	**	**	
San Carlos	*$15.24*			
San Diego	*$14.00*	**	**	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
San Francisco	*$16.07; $14.22 for government supported employees*	**	**	***Increasing to $16.32 effective 07/01/21.***
San Jose	*$15.45*	**	**	
San Leandro	*$15.00*	**	**	
San Mateo	*$15.62*	**	**	
Santa Clara	*$15.65*	**	**	
Santa Monica	*$15.00 for businesses with 26 or more employees; $14.25 for businesses with 25 or fewer employees; $17.13 for hourly hotel workers*	**	**	***Increasing to $15 for businesses with 25 or fewer employees effective 07/01/21.*** *Adjusted annually July 1 for hotel workers. Aligned to City of LA Hotel Wage; increases annually by CPI.*
Santa Rosa	*$15.20*	**	**	
Sonoma	*$15.00 for businesses with 26 or more employees; $14.00 for businesses with 25 or fewer employees*	**	**	
South San Francisco	*$15.24*	**	**	
Sunnyvale	*$16.30*	**	**	
West Hollywood	*$13.00 for businesses with 26 or more employees; $12.00 for businesses with 25 or fewer employees*	**	**	
Colorado	*$12.32*	*$3.02*	*$9.30*	*Tipped employees must regularly earn at least $30 per month in tips.*
Denver	*$14.77*	**	**	
Connecticut	*$12.00*	*$5.62 for tipped hotel and restaurant employees; $3.77 for bartenders.* ***Effective 08/01/21 - Increasing to $6.38 for tipped hotel and restaurant employees; $4.77 for bartenders.***	*$6.38 for tipped hotel and restaurant employees; $8.23 for bartenders.* ***Effective 08/01/21 - Increasing to $6.62 for tipped hotel and restaurant employees; $8.23 for bartenders.***	***Increasing to $13.00 effective 08/01/21.*** *For hotels and restaurants, full-time tipped employees must earn at least $10 weekly in tips; part-time employees must earn at least $2 daily in tips. Tip credit may not be used for pizza delivery drivers.*

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Delaware	*$9.75*	*$7.52*	*$2.23*	
D.C.	*$15.00*	*$10.00*	*$5.00*	
Florida	*$8.65*	*$3.02*	*$5.63* ***Increasing to $6.98 09/30/21.***	***Increasing to $10.00 09/30/21.***
Georgia	*$7.25**	*Federal law applies*	*Federal law applies*	
Hawaii	*$10.10*	*$0.75*	*$9.35*	*Employees must regularly earn at least $20 per month in tips; combined wage must be at least $7.00 more than the applicable minimum wage.*
Idaho	*$7.25*	*$3.90*	*$3.35*	*Tipped employees must regularly earn over $30 per month in tips.*
Illinois	*$11.00*	*$4.40*	*$6.60*	*Tipped employees must regularly earn at least $20 per month in tips.*
Chicago	*$14.00 for businesses with 21 or more employees; $13.50 for businesses with 20 or fewer employees*	****	****	***Increasing to $15.00 for businesses with 21 or more employees effective 07/01/21; $14.00 for businesses with 20 or fewer employees effective 07/01/21.***
Cook County	*$13.00*	****	****	
Indiana	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $30 per month in tips.*
Iowa	*$7.25*	*$2.90*	*$4.35*	*Employees must regularly earn at least $30 per month in tips.*
Kansas	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $20 per month in tips.*
Kentucky	*$7.25*	*Federal law applies*	*Federal law applies*	*Employees must regularly earn at least $20 per month in tips.*
Louisiana	*$7.25**	*Federal law applies*	*Federal law applies*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Maine	*$12.15*	*$6.08*	*$6.07*	*Employees must regularly earn at least $30 per month in tips. The tip credit may not exceed 50 percent of the minimum hourly.*
Maryland	*$11.75 for businesses with 15 or more employees; $11.60 for businesses with 14 or fewer employees.*	*$7.37*	*$3.63*	*Employees must regularly receive at least $30 per month in tips.*
Montgomery County	*$14.00 for businesses with 51 or more employees; $13.25 for businesses with 11-50 employees; $13.00 for businesses with 10 or less employees*	**	**	***Increasing to $15.00 for businesses with 51 or more employees effective 07/01/21; $14.00 for businesses with 11-50 employees effective 07/01/21; $13.50 for businesses with 10 or less employees effective 07/01/21.***
Massachusetts	*$13.50*	*$7.95*	*$5.55*	*Employees must receive at least $20 per month in tips.*
Michigan	*$9.87*	*$6.12*	*$3.75*	
Minnesota	*$10.08 large employers (annual gross revenue $500,000 or more); $8.21 small employers (annual gross revenue less than $500,000)*	*Tip credit prohibited*	*Tip credit prohibited*	
Minneapolis	*$13.25 for businesses with more than 101 or more employees; $11.75 for businesses with 100 or fewer employees*	**	**	***Increasing to $14.25 for Large businesses (101 or more employees effective 07/01/21; $12.50 for small businesses (100 or fewer employees) effective 07/01/21.***
Saint Paul	*$11.50 for large businesses (101-10,000 employees); $10.00 for small businesses (6-100 employees); $9.25 for micro businesses (5 or fewer employees)*	**	**	***Increasing to $12.50 for large businesses (101-10,000 employees) effective 07/01/21; $11.00 for small businesses (6-100 employees) effective 07/01/21; $10.00 for micro businesses (5 or fewer employees) effective 07/01/21.***

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Mississippi	*$7.25**	*Federal law applies*	*Federal law applies*	
Missouri	*$10.30*	*$5.15*	*$5.15*	
Montana	*$8.75*	*Tip credit prohibited*	*Tip credit prohibited*	
Nebraska	*$9.00*	*$6.87*	*$2.13*	
Nevada	*$9.00 without health benefits;* *$8.00 with health benefits*	*Tip credit prohibited*	*Tip credit prohibited*	***Increasing to $9.75 without health benefits; $8.75 with health benefits effective 07/01/21.***
New Hampshire	*$7.25*	*$3.98*	*45 percent of minimum wage*	*Employees must regularly earn at least $30 per month in tips.*
New Jersey	*$12.00 for employers with more than 5 employees;* *$11.10 for small or seasonal employers;* *$15.00 for long-term care facility direct care staff*	*$7.87*	*$4.13*	
New Mexico	*$10.50*	*$7.95*	*$2.55*	
Albuquerque	*$10.50 without benefits;* *$9.50 if the employer provides healthcare and/or childcare benefits to the employee during any pay period and the employer pays an amount for these benefits equal to or in excess of an annualized cost of $2,500.00*	**	**	
Bernalillo County	*$9.35*	**	**	
Las Cruces	*$10.50*	**	**	
Santa Fe City and County	*$12.10*	**	**	
New York				*See industry wage orders for additional requirements.* *New York's wage increases go into effect 12/31/2020.*
New York City - Big Employers (of 11 or more)	*$15.00*	*Tipped Service Employees: $2.50* *Tipped Food Service Employees: $5.00*	*Tipped Service Employees: $12.50* *Tipped Food Service Employees: $10.00*	
New York City - Small	*$15.00*	*Tipped Service*	*Tipped Service*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Employers (10 or less)		*Employees: $2.50* *Tipped Food Service Employees: $5.00*	*Employees: $12.50* *Tipped Food Service Employees: $10.00*	
Nassau, Suffolk, & Westchester Counties	*$14.00*	*Tipped Service Employees: $2.35* *Tipped Food Service Employees: $4.65*	*Tipped Service Employees: $11.65* *Tipped Food Service Employees: $9.35*	
Remainder of New York State	*$12.50*	*Tipped Service Employees: $2.10* *Tipped Food Service Employees: $4.15*	*Tipped Service Employees: $10.40* *Tipped Food Service Employees: $8.35*	
Fast food employees in New York City (in fast food establishments)	*$15.00*	***	***	*Employers cannot claim a tip credit for fast food employees.*
Fast food employees outside of New York City (in fast food establishments)	*$14.50*	***	***	***Increasing to $15.00 effective 07/01/21.*** *Employers cannot claim a tip credit for fast food employees.*
North Carolina	*$7.25*	*$5.12*	*$2.13*	*Employees must regularly earn at least $20 per month in tips.*
North Dakota	*$7.25*	*33 percent*	*$4.86*	*Employees must regularly earn at least $30 per month in tips.*
Ohio	*$8.80 for employers with gross receipts of $323,000 or more;* *$7.25 for employers with gross receipts under $323,000*	*$4.40*	*$4.40*	*Tipped employees must regularly earn at least $30 per month in tips.*
Oklahoma	*$7.25*	*50 percent*	*$3.63*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
Oregon	*$13.25 for businesses in Portland metro area;* *$12.00 for businesses in Urban counties;* *$11.50 for businesses in Rural counties*	*Tip credit prohibited*	*Tip credit prohibited*	*An employer's location affects minimum wage rate.* ***Scheduled increases effective 07/01/21:*** ***Within Portland's urban growth boundary (metro area)*** *including portions of Clackamas, Multnomah, and Washington counties):* ***$14.00 effective 07/01/21.*** ***Areas not in Portland's urban growth boundary or one of the listed nonurban counties (urban counties)*** *(Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Wasco, Washington, Yamhill counties):* ***$12.75 effective 07/01/21****.* ***The nonurban counties (rural counties)*** *(Baker, Coos, Crook, Curry, Douglas, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wheeler counties):* ***$12.00 effective 07/01/21.***
Pennsylvania	*$7.25*	*$4.42*	*$2.83*	*Employees must regularly earn at least $30 per month in tips.*
Rhode Island	*$11.50*	*$7.61*	*$3.89*	
South Carolina	*$7.25**	*Federal law applies*	*Federal law applies*	

STATE OR LOCALITY	MINIMUM WAGE RATE	MAXIMUM TIP CREDIT	MINIMUM TIPPED WAGE	NOTES & FUTURE SCHEDULED INCREASES
South Dakota	*$9.45*	*$4.72*	*$4.72*	*Employees must regularly earn at least $35 per month in tips and cash wage must be at least one-half of minimum wage.*
Tennessee	*$7.25**	*Federal law applies*	*Federal law applies*	
Texas	*$7.25*	*$5.12*	*$2.13*	*Employees must regularly receive at least $20 per month in tips.*
Utah	*$7.25*	*$5.12*	*$2.13*	*Employees must receive at least $30 per month in tips.*
Vermont	*$11.75*	*$5.87*	*$5.88*	*Employees must regularly receive at least $120 per month in tips.*
Virginia	*$7.25*	*$5.12* ***Increasing to $7.37 effective 05/01/21.***	*$2.13*	***Increasing to $9.50 effective 05/01/21.***
Washington	*$13.69*	*Tip credit prohibited*	*Tip credit prohibited*	
Seattle	*Schedule 1 (more than 500 employees in U.S.) $16.69* *Schedule 2 (500 or fewer employees in U.S.) $16.69* *Schedule 2 (500 or fewer employees in U.S.) with medical benefits or tips $15.00*	**	**	
SeaTac	*$16.57*	**	**	
West Virginia	*$8.75*	*$6.13*	*$2.62*	
Wisconsin	*$7.25*	*$4.92*	*$2.33*	
Wyoming	*$7.25**	*$5.12*	*$2.13*	*Employees must regularly earn at least $30 per month in tips.*

** Employers in states without minimum wage laws, or with minimum wage rates lower than the federal minimum wage, which is currently $7.25 an hour, must observe the federal minimum wage for all employees covered by the Fair Labor Standards Act. States that permit tip credits require employers to ensure that the employees' tips and the reduced hourly wage rate equal at least the required minimum wage rate and must keep accurate records of employees' tips. Check your local laws to confirm compliance.*

*** Maximum tip credit and minimum tipped wage information are not tracked on this chart for municipalities.*

**** Youth rates and job training participant rates are not tracked on this chart.*